

SOUTH CAROLINA RETIREMENT SYSTEMS (SCRS) GUIDELINES FOR DRAFTING DOMESTIC RELATIONS ORDERS

I. INTRODUCTION

A. Model Order

The Retirement Systems has prepared the following guidelines and model order to assist members of the bar in drafting domestic relations orders that apportion SCRS benefits and funds. This is a model qualified domestic relations order which can be used to draft a marital property order which complies with the S.C. Retirement Code (S.C. Code §§ 9-18-10 et seq.) The Retirement Systems strongly recommends that practitioners review the Retirement Code prior to drafting a domestic relations order apportioning retirement monies.

The attached order is designed to serve as a starting point for practitioners attempting to draft a domestic relations order deemed acceptable by the Retirement Systems. The model contains language that SCRS has approved for domestic relations orders and it may be modified or revised as needed. If you modify the sample order or decide to draft a completely different order, please be aware that all changes must meet SCRS criteria before it will be accepted by the Retirement Systems.

B. SCRS is Not an ERISA Plan

Please be advised that SCRS is a governmental plan and is not governed by the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and most of the provisions of the Internal Revenue Code (IRC) that govern the division of qualified plan assets. Therefore although this model uses the terms "Alternate Payee" and "qualified domestic relations order," drafters should not confuse those terms with ERISA and IRC concepts.

Unlike ERISA plans, a SCRS member may take any action with regard to his retirement benefit without notice or consent required from anyone, including his spouse. Also, unlike ERISA plans, the rights of the Alternate Payee are entirely derivative of the Participant's rights. To that end, Alternate Payees may not elect beneficiaries, choose benefits, etc. Further, unlike ERISA plans, SCRS cannot implement or guarantee the implementation of any "irrevocable designation of death benefits or selection of retirement option." Such designation remains the prerogative of the Participant.

C. SCRS is a Defined Benefit Plan

Please note that SCRS is a defined benefit plan, not a defined contribution plan (i.e. it is not a 401(K) plan). Accordingly, separate accounts are not maintained for Participants and Alternate Payees. A defined benefit plan promises to pay each participant a specific benefit at retirement. The basic retirement benefit is based on a formula that takes into account factors such as years of service, average final salary, etc. Drafters of qualified domestic relations orders should note that SCRS benefits are determined by a formula and that an account statement of employee contributions does not represent the full “value” of a Participant’s interest in the retirement account. Therefore, SCRS does not provide present value of member accounts. **(See section V below)**. Drafters are encouraged not to submit orders which treat Participant’s SCRS interests like accounts in a defined contribution plan.

II. REVIEW PROCEDURE

A. Obtain Pre-Approval from SCRS

The Retirement Systems recommends that proposed orders be submitted to SCRS for pre-approval prior to being presented to a Judge for signature. This allows SCRS to review proposed orders and make any corrections or suggestions.

B. Copy of Signed Order to SCRS

Once a Judge has signed the order, a copy of the order that has been certified by the County Clerk of Court must be sent to SCRS at the following address:

**Legal Department
South Carolina Retirement System
Post Office Box 11960
Columbia, South Carolina 29211-1960**

C. Approval from SCRS

An Alternate Payee may receive a portion of a Participant’s retirement benefits only by a court order that is approved by the Retirement Systems and complies with SCRS requirements. In order to implement the terms of the order, it must be consistent with SCRS rules and regulations.

When SCRS receives the certified copy of the order, it will be reviewed to determine whether it meets SCRS criteria for acceptance. This review is required even if the model order is used or an order has been pre-approved. Once a determination has been made, SCRS will notify both parties and their attorneys in writing.

If the order is not acceptable, the parties may return to court to obtain an amended order. The amended order must undergo the same review procedure as the original order. If the Retirement Systems determines an order is not acceptable and does not subsequently receive an amended order that meets the criteria, **SCRS will pay the**

Participant's benefits as they become due only to the Participant or his duly designated beneficiary(s), according to the rules and regulations of the Retirement Systems.

Note: *Without a valid QDRO for an SCRS plan, under no circumstances shall SCRS make any payment directly to the Alternate Payee. However, where there is an invalid QDRO, the court may require the Participant to pay the former spouse a specified amount, but SCRS will not be involved in those payments.*

III. REQUIREMENTS

The Retirement Systems accepts and accommodates domestic relations orders within the frame work of its governing rules, laws, and regulations. The following paragraphs are designed to give you some technical information about what SCRS can and cannot do, and to provide you with a list of things that SCRS requires to be addressed in an acceptable order. IF YOU DO NOT USE THE MODEL ORDER OR IF YOU MAKE MODIFICATIONS, PLEASE READ THE FOLLOWING PARAGRAPHS CAREFULLY.

A. The Order **must contain the following¹:**

1. Name, last known mailing address, date of birth and social security number of both Alternate Payee and Participant;
2. It must assign a portion of Participant's benefits or amounts payable to the Alternate Payee;
3. It must order the Retirement Systems to pay the Alternate Payee's portion of Participant's benefits to the Alternate Payee once the account enters a pay status. **(See section B below);**
4. It must state the Alternate Payee's portion clearly as a fixed dollar amount, a fixed percentage or a service factor percentage formula. **(See section IV below);**
5. The order must require the Alternate Payee to notify the Retirement Systems of any change in address;
6. It must require the Participant and Alternate Payee to complete all necessary forms and provide information to the Retirement Systems as needed in order to effectuate the order; and
7. It must specifically identify the plan(s) to which it applies. (i.e. the Judges and Solicitors Retirement System, the General Assembly Retirement System, the Police Officers Retirement System or the South Carolina Retirement System).

B. Pay Status

¹ See S.C. Code § 98-18-20

An Alternate Payee may only receive a portion of the Participant's retirement benefits when the benefit becomes payable. Thus, the Alternate Payee cannot start receiving benefits until the Participant enters a pay status and starts receiving his/her benefits. Once the account enters a pay status, no separate account is maintained for the Alternate Payee.

Please note that the benefit selection by the Participant determines the type of payment the Alternate Payee receives. For example, if the Participant selects a lifetime monthly benefit, the payment to the Alternate Payee is also a monthly payment. If the Participant terminates employment and selects a one-time lump sum refund, the Alternate Payee also will receive a one-time lump sum payment.

Note: *With either a lump sum refund or lifetime monthly payment, the amount paid to the Alternate Payee cannot exceed the amount that otherwise would be paid to the Participant.*

An account enters a pay status if a member (1)dies, (2)retires or (3)terminates employment and withdraws his retirement contributions. If the domestic relations order does not address one of the above situations, the Retirement Systems will assume the parties intend for the Alternate Payee not to receive any of the retirement monies in that situation. If the order does not address any one of these possible situations, and that particular situation arises, the Retirement Systems will disburse the funds only to the Participant or his duly designated beneficiary(s) in accordance with SCRS rules and regulations.

1. Termination/Withdrawal

If a participant terminates employment, he can leave his contributions with the System or he can request a lump sum refund at any time. If the participant is vested (has five years of service credit)², he can leave his contributions with SCRS and apply for an annuity when he retires and receive a monthly retirement benefit pursuant to SCRS rules and regulations. **If the parties intend for the Alternate Payee to receive a portion of the Participant's retirement benefits in this situation, the domestic relations order must specify what the Alternate Payee's portion will be should the Participant receive either a refund OR a monthly benefit.**

Note: *The distribution to the Alternate Payee that becomes available upon the Participant's termination/withdrawal from the Plan is not available to the Alternate Payee until the Participant actually applies for a withdrawal. The Participant's termination of employment alone is not sufficient.*

2. Retirement

A Participant may retire by filing a written application with SCRS. At retirement, the Participant chooses a form of payment of monthly retirement benefits. The standard form of payment of monthly benefits is the maximum amount possible.

² For those who became members after Jan. 1, 2001, the 5 years of service credit must be "earned."

A Participant should contact SCRS Customer Service Center to find out his/her payment options. **If the parties intend for the Alternate Payee to receive a portion of the Participant's retirement benefits in this situation, the domestic relations order must specify what the Alternate Payee's portion of the Participant's monthly benefit will be should the Participant retire.**

Note: *When a Participant elects early retirement, the Alternate Payee's payment is proportionately reduced.*

Note: *Disability retirement benefits from SCRS plans are also subject to qualified domestic relations orders.*

3. Death

The order must also address the return of contributions payable as a death benefit. The amount of service at the Participant's death determines what benefits are available to the designated beneficiaries. The laws and rules of the Retirement Systems govern all death benefit payments.

a. Before Retirement

If an active Participant dies before retirement with fifteen (15) or more years of service credit, the designated beneficiary(s) are eligible for either a lump sum refund of the Participant's contributions plus interest OR lifetime monthly benefits. The Participant's designated beneficiary(s) are required to select the type of payment at the Participant's death. **If the parties intend for the Alternate Payee to receive any of the Participant's retirement benefits in this situation, the domestic relations order must specify what the Alternate Payee's portion will be should the beneficiary(s) receive either a lump sum OR a monthly benefit.** This may be accomplished by inserting a fixed percentage, fixed dollar amount, or formula in the appropriate place.

If the Participant dies before retirement with less than fifteen (15) years of service credit, the only benefit option available is a lump sum refund of the Participant's contributions plus interest. **If the parties intend for the Alternate Payee to receive any of the Participant's retirement benefits in this situation, the order must specify the Alternate Payee's portion as either a fixed percentage, a fixed dollar amount, or a formula.**

b. After Retirement

If the Participant dies after retirement, and if a retirement option other than an optional form death benefit is selected³, the Alternate Payee will be entitled to a portion of the Participant's retirement contributions plus interest. **If the parties intend for the Alternate Payee to receive any of the Participant's**

³ A "death benefit" does not include any optional form death benefit. See S.C. Code § 9-18-10(4); See also S.C. Code § 9-18-10(10) ("retirement benefit does not include any optional form death benefit")

retirement benefits in this situation, the domestic relations order must specify the Alternate Payee's portion as either a fixed percentage, a fixed dollar amount, or a formula.

Note: SCRS cannot implement or guarantee the implementation of any "irrevocable designation of death benefits or selection of retirement option." Such designation or selection remains the prerogative of the Participant.

C. Death of the Alternate Payee

After the death of the Alternate Payee, no further payment is made to the Alternate Payee based on that designation. If payment to the Alternate Payee did not start prior to the Alternate Payee's death, no payment to the Alternate Payee is ever made pursuant to the QDRO. Also, no payment is ever made to any beneficiary, heir or estate of the Alternate Payee. If the Alternate Payee dies before the Participant, the Alternate Payee's portion of the Participant's benefit will cease and the Participant's monthly retirement allowance is adjusted to the full benefit amount to which the Participant would have been entitled to absent the Order.

4. Deferred Retirement Option Plan (TERI Program)

A participant retiring on or after January 1, 2001, may enroll in the TERI program by filing a written application with SCRS indicating that he/she desires to participate in TERI. During the TERI period, the Participant's monthly retirement benefit (plus COLAs) accrue in a separate account until the end of the TERI period. No interest is paid on the TERI account, and no distributions are made to the Participant until the end of the TERI period. If the Participant has a QDRO on file at the time he/she enters TERI, SCRS will not issue payments under the QDRO until the end of the TERI period when funds are distributed and normal payments have begun. **The domestic relations order must specify if the parties do not intend for the Alternate Payee to receive a portion of the Participant's TERI benefits.**

C. Interest on Alternate Payee's Portion [Optional Provision]

If the parties intend for the Alternate Payee to receive interest on his/her portion of the Participant's benefit, the domestic relations order must so state. The Retirement Systems will credit interest on the Alternate Payee's portion of the Participant's account at the same rate and in the same manner as interest accrues on the Participant's portion of the account until the distribution occurs. Interest will accrue on the Alternate Payee's portion from the separation/divorce date up to the date of retirement (or refund of contributions). Under current law, interest is credited to each Participant's account annually at fiscal year end (June 30). Interest is compounded annually at the rate of 6% and the amount applied is based on the total account balance as of the previous fiscal year end.

D. The Order **cannot** do any of the following⁴:

1. Require the Retirement Systems to do anything that it is not permitted by law to do;
2. Require the Retirement Systems to provide any type of benefit or option not otherwise provided under the Plan;
3. Require the Retirement Systems to provide a greater benefit than is provided under the Plan;
4. Pay benefits to an Alternate Payee prior to Participant's retirement or request for a refund;
5. Require the Retirement Systems to pay out of the retirement funds before the account goes into a pay status;
6. Require the Retirement Systems to transfer or rollover funds from one member's account to another;
7. Require the Participant to choose a particular payment plan or option;
8. Require the Retirement Systems to maintain separate accounts for the Participant and Alternate Payee;
9. Allow the Alternate Payee to choose a retirement option or designate a beneficiary for his portion of Participant's contributions; or
10. Allow the Alternate Payee to assign his/her rights to the Participant's retirement funds to another.

IV. DIVISION OF BENEFITS

The next few pages contain examples illustrating the three methods of division of SCRS benefits and the amount the Alternate Payee is likely to receive under each method. It should be noted that the illustrations and amounts received under each method **are for illustrative purposes only** and do not indicate approval or recommendation by SCRS of any particular method. The parties to a QDRO must conduct their own analysis based upon their individual needs and then make their own determination regarding which method is appropriate under their circumstances.

If a Participant's retirement benefits or contributions are divided in a divorce proceeding, the divorce decree must clearly state the Alternate Payee's portion as either a fixed percentage,

⁴ See generally S.C. Code § 9-18-20.

a fixed dollar amount, or use a service factor percentage formula⁵ to determine the Alternate Payee's portion.

The Order must specify the amount to be paid to the Alternate Payee as one of the following:

A. Fixed Dollar Amount

Under this method, the parties may agree to whatever fixed dollar amount they deem appropriate under the circumstances of their divorce, so long as the amounts do not exceed the Participant's benefit.

The following examples illustrate the application of a fixed dollar amount as the Alternate Payee's portion of the Participant's retirement benefits:

1. Retirement:

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is \$500 per month for the life of the Participant.

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is \$350 per month, less any amounts received by the Alternate Payee under TERI, until the balance of \$13,500 is paid in full.

2. Death After Retirement:

In accordance with the rules and regulations of the Retirement System, if the Participant dies after retirement, and if an option other than an optional form death benefit is selected, the Alternate Payee will be entitled to \$15,700, plus interest,⁶ less any amounts already received by Alternate Payee under this Order.

3. Death Before Retirement:

In accordance with the rules and regulations of the Retirement System, if the Participant dies prior to retirement, and if a monthly benefit is selected by the named beneficiary(ies), the Alternate Payee would be entitled to receive \$23,400, plus interest. This amount shall be paid to the Alternate Payee in an amount of \$600 per month until the balance, plus interest, is paid in full. If a lump sum is selected, the Alternate Payee would be entitled to \$23,400, plus interest.

4. Termination/Withdrawal:

If the Participant terminates employment and withdraws his retirement contributions, the Alternate Payee would be entitled to \$17,800, plus interest.

5. Deferred Retirement Option Plan (TERI Program):

Upon Participant's retirement, if the Participant enrolls in the TERI program, the Alternate Payee is entitled to \$500 per month as a portion of the TERI program for each monthly benefit accrued to the Participant from the Plan. The accrued amount will be paid at the end of the TERI period.

⁵ Please note that the service factor percentage formula turns on variable that are unknown until the Participant actually retires (i.e. the number of years of service at retirement).

⁶ The award of interest is optional. The parties must decide if interest is to accrue on the Alternate Payee's portion. Interest will accrue on the Alternate Payee's portion from the separation/divorce date up to the date of retirement (or refund of contributions). See section III C above.

B. Fixed Percentage

Under this method, the parties may agree upon a fixed percentage of the Participant's retirement benefit the Alternate Payee is to receive. Again, this can be any percentage the parties deem appropriate under the circumstances of their divorce, so long as it does not result in an amount that exceeds the Participant's total benefit.

The following examples illustrate the application of a fixed percentage as the Alternate Payee's portion of the Participant's retirement benefits:

1. **Retirement:**

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is 25% of the monthly benefit the Participant receives.

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is 45% of the monthly benefit the Participant receives until the balance of \$15,000 is paid in full. Amounts received from TERI will be considered in determining when the \$15,000 is paid.

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is 50% of the maximum benefit the Participant would have received if he had retired as December 31, 1991.

2. **Death After Retirement:**

In accordance with the rules and regulations of the Retirement System, if the Participant dies after retirement, and if an option other than an optional form death benefit is selected, the Alternate Payee will be entitled to 50% of contributions accumulated to "cut-off date"⁷ plus interest, less any amounts already received by Alternate Payee under this Order.

In accordance with the rules and regulations of the Retirement System, if the Participant dies after retirement, and if an option other than an optional form death benefit is selected, the Alternate Payee will be entitled to 30% of any remaining contributions, plus interest.

3. **Death Before Retirement:**

In accordance with the rules and regulations of the Retirement System, if the Participant dies prior to retirement, and if a monthly benefit is selected by the named beneficiary(ies), the Alternate Payee would be entitled to receive to 40% of contributions accumulated to "cut-off date," plus interest. This amount shall be paid to the Alternate Payee in an amount of 40% of the monthly benefit until the balance, plus interest, is paid in full. If a lump sum is selected, the Alternate Payee would be entitled to 40% of contributions accumulated to "cut-off date," plus interest.

In accordance with the rules and regulations of the Retirement System, if the Participant dies prior to retirement, and if a monthly benefit is selected by the named beneficiary(ies), the Alternate Payee would be entitled to receive to 45% of any remaining contributions, plus interest. This amount shall be paid to the Alternate Payee in an amount of 45% of the monthly benefit until the balance, plus interest, is paid in full. If a lump sum is selected, the Alternate Payee would be entitled to 45% of any contributions, plus interest.

⁷ The cut-off date could be the date of divorce, hearing date, separation date, date of filing of complaint, etc.

4. Termination/Withdrawal:

If the Participant terminates employment and withdraws his retirement contributions, the Alternate Payee would be entitled to 50% of the account balance as of December 31, 1991, plus interest.

If the Participant terminates employment and withdraws his retirement contributions, the Alternate Payee would be entitled to 30% of any remaining contributions, plus interest.

5. Deferred Retirement Option Plan (TERI Program):

Upon Participant's retirement, if the Participant enrolls in the TERI program, the Alternate Payee is entitled to 50% of the maximum benefit the Participant would have received if he had retired as December 31, 1991.

C. Service Factor Percentage Formula

Under this method, the parties may agree to use a formula based upon the months of SCRS service credit acquired during the marriage compared to the total months of SCRS service credit earned by the Participant at retirement. In addition, the parties must select an agreed upon Alternate Payee percentage, if not provided in the divorce decree.

The service factor percentage formula can be used to calculate a marital portion of the Participant's monthly retirement benefit for the Alternate Payee. Such marital portion shall be determined by application of the following formula:

Marital Portion = (SM/SR) X MB (using AFC at separation date and years of service at retirement)

SM = # years service during marriage (You must provide this number in your order.)

SR = # years service at retirement⁸

MB = Participant's monthly benefit (using Average Final Compensation at separation date and years of service at retirement)

The application of the service factor percentage formula is illustrated by the following example:

EXAMPLE

Participant's AFC at date of separation	\$40,000
Participant's years of service during the marriage	25
Participant's years of service at retirement	30
Alternate Payee's Percentage (per Divorce Decree)	50%

1. Marital Portion = $\frac{(\text{years of service during the marriage})}{(\text{years of service at retirement})}$ X Participant's Monthly Benefit

Marital Portion = $\frac{25}{30}$ X Participant's Monthly Benefit = **83%** of Monthly Benefit

2. Alternate Payee's Portion = Agreed upon Alternate Payee % X Marital Portion
= 50% X 83% = **41.5%** of each payment made to Participant.⁹

⁸ SCRS will determine the total number of months of service credit in accordance SCRS rules and regulations only at the time of retirement or termination of employment

3. Participant's Portion = 58.5% of each payment (100% - 41.5%)

Sample QDRO language for Service Factor Percentage Formula:

"The Alternate Payee's interest in Participant's retirement benefit is ____% of the marital portion. Such marital portion shall be determined by the following service factor fraction: The numerator is the Participant's years of service during the marriage; the denominator is the Participant's total years of service in the plan. This fraction is to be multiplied by what the Participant's monthly benefit would have been at the date of separation, using the average final compensation (AFC) at the separation date and the years of service at retirement."

1. Retirement:

Upon Participant's retirement, the portion of the distribution of benefits that is awarded and is to be paid Alternate Payee is ____% of the Participant's gross monthly benefit, using the AFC at separation date and the years of service at retirement, multiplied by the service factor fraction.

2. Death After Retirement:

In accordance with the rules and regulations of the Retirement System, if the Participant dies after retirement, and if an option other than an optional form death benefit is selected, the Alternate Payee will be entitled to ____% of any remaining contributions, plus interest, multiplied by the service factor fraction.

In accordance with the rules and regulations of the Retirement System, if the Participant dies after retirement, and if an option other than an optional form death benefit is selected, the Alternate Payee will be entitled to ____% of the contributions accumulated to "cut-off date" plus interest, multiplied by the service factor fraction, less any amounts already received by Alternate Payee under this Order.

3. Death Before Retirement:

In accordance with the rules and regulations of the Retirement System, if the Participant dies prior to retirement, and if a monthly benefit is selected by the named beneficiary(ies), the Alternate Payee would be entitled to receive to ____% of contributions accumulated to "cut-off date," plus interest, multiplied by the service factor fraction. This amount shall be paid to the Alternate Payee in an amount of ____% of the monthly benefit until the balance, plus interest, is paid in full. If a lump sum is selected, the Alternate Payee would be entitled to ____% of contributions accumulated to "cut-off date," plus interest, multiplied by the service factor fraction.

4. Termination/Withdrawal:

If the Participant terminates employment and withdraws his retirement contributions, the Alternate Payee would be entitled to ____% of the account balance as of December 31, 1991, plus interest, multiplied by the service factor fraction.

If the Participant terminates employment and withdraws his retirement contributions, the Alternate Payee would be entitled to ____% of any remaining contributions, plus interest, multiplied by the service factor fraction.

⁹ When Participant retires, Alternate Payee will receive 41.5% of Participant's monthly benefit using the Participant's AFC at divorce or separation date instead of the Participant's AFC at retirement.

5. Deferred Retirement Option Plan (TERI Program):

Upon Participant's retirement, if the Participant enrolls in the TERI program, the Alternate Payee is entitled to ____% of the maximum benefit the Participant would have received if he had retired as December 31, 1991, multiplied by the service factor fraction.

D. Cost of Living Increases (COLAs)

If the parties intend for the Alternate Payee to share proportionately in any cost-of-living increases (COLAs) the Participant may receive after retirement, the domestic relations order must so state. COLAs are not guaranteed and must be approved annually by the State Budget and Control Board.

V. REQUESTS FOR ACCOUNT INFORMATION

The Retirement Systems will provide specific objective account information pursuant to a subpoena or a release signed by the Participant. Commonly requested information includes a statement of the Participant's account balance and service credit. If the Participant is vested (has 5 years of service credit)¹⁰, the Retirement Systems will compute a retirement benefit estimate based on current service credit and salary. This estimate is NOT binding on the System and will be **a projection of the Participant's "unreduced" retirement benefit based on age. Please note that if the Participant takes an early retirement, the Alternate Payee's payment will be reduced proportionately.**

Please note that SCRS operates on a quarter system and when you request information, the System will compute the information to the closest quarter ending date (September 30, December 31, March 31, or June 30). Also, note that if the Participant has an outstanding service purchase installment loan on the date the request for information is processed, the Participant's benefit estimate and account statement will reflect a pro-rated service credit and account balance as of the information request date.

The Retirement Systems WILL NOT provide benefit estimates based on projected or assumed service credit and salary changes. Furthermore, the Retirement Systems WILL NOT compute a "present value" of the Participant's account. The determination of "present value" is a subjective process based on various assumptions. If you want to obtain a valuation, consult with a CPA or qualified private actuary. It is neither required nor needed by the Retirement Systems to be included in an acceptable order dividing retirement funds.

Finally, if the Participant has not retired, the Participant's account balance will consist of his mandatory contributions plus interest. The System currently pays 6% interest compounded annually based on the account balance as of the previous fiscal year end (**See section III C above**). The Participant's account balance does not include the Employer's contributions and the Retirement Systems cannot provide information indicating how much the Employer has contributed on the Participant's behalf. Participants are not entitled to withdraw or receive a lump sum payment of Employer contributions. The only way to access these funds is through a monthly benefit.

¹⁰ For those who became members after Jan. 1, 2001, the 5 years of service credit must be "earned."

If you are requesting information regarding Participant's account pursuant to a subpoena or a properly signed release, please submit a written request with the following information:

1. Participant's name and Social Security number;
2. What information you are requesting;
3. The period of time you are interested in (example: from the date of the marriage Sept. 15, 1982, through the date of separation January 6, 1993);
4. An address to which the information should be sent; and
5. The member's signature, if it is at the member's request.

PLEASE SUBMIT THE REQUEST SEVERAL WEEKS BEFORE IT IS NEEDED FOR TRIAL OR SETTLEMENT. Gathering the information requested and performing the necessary computations takes a considerable amount of time.

Note: SCRS records are confidential.¹¹ Therefore, the Retirement System cannot release information regarding a Participant's account to the Alternate Payee or his/her attorney without written authorization from the Participant.

VI. CONCLUSION

This information is provided to help you understand the South Carolina Retirement Systems, its plans and procedures. These guidelines and model order are specific to the South Carolina Retirement Systems and should not be used to draft orders relating to other retirement plans, especially plans governed by ERISA. These materials contain general information and are subject to change at any time.

Should you have any questions, please contact the legal department at (803) 737-6894 or (803) 737-6811.

¹¹ See S.C. Budget & Control Board Reg. § 19-903.